

**Auburn City Council
Regular Meeting
Thursday, April 30, 2020 5:00 P.M.
City Council Chambers
Memorial City Hall
24 South St.
Auburn, NY 13021**

Minutes

The meeting of the Auburn City Council was called to order at 5:00PM in the City Council Chambers, 24 South St. Auburn NY by Mayor Quill.

Roll Call – The City Clerk called the roll. Mayor Quill, Councilor Debra McCormick, Councilor Jimmy Giannettino, Councilor Terry Cuddy and Councilor Tim Locastro were all present. Councilor Cuddy was present via teleconference.

The following City Staff was present for the meeting:

- City Manager, Jeff Dygert
- Corporation Counsel, Stacy DeForrest
- City Clerk, Charles Mason
- City Comptroller, Rachel Jacobs
- Director of Capital Improvement Program and Grants, Christina Selvek
- Director of Municipal Utilities, Seth Jensen (by teleconference)
- Police Chief, Shawn Butler
- City Engineer, Bill Lupien (by teleconference)
- Interim Fire Chief, Mark Fritz
- Director of Planning and Economic Development (by teleconference)

Pledge of Allegiance to the Flag – Mayor Quill led the Pledge of Allegiance.

Moment of Silent Prayer or Reflection – Mayor Quill asked for a moment of silent prayer.

Mayor Quill

Thank you. Mr. Clerk, any public announcements?

City Clerk Mason

Thanks, Mayor. We do have a couple of announcements this evening. The first is that the New York State Department of Environmental Conservation (DEC) is accepting public comment about a cleanup proposal for the former manufacturing gas plant site on Green Street here in Auburn. The information is

available on our website - on the internet. New York State DEC is accepting public comments about this proposal through May 22, 2020 and people can go to the city's website to find out the complete details about this cleanup project. Next, is that our planning office announced this week that the city of Auburn in combination with the Auburn Permaculture Park and the willow artist Bonnie Gail have been working to bring the community designed Living Willow Structure to Miles Park, also known as the Permaculture Park here in Auburn. This past fall, there was a series of educational workshops held and then a few weeks ago we were going to have some design meetings that ended up being cancelled by the COVID-19 crisis. So as a result of that the city is now conducting the design process online, people can find all of the information at the city's website. It's right on the front page of the website and people are asked to get their proposals back to the city via email. If people have questions they can contact Renee Jenson at the planning office by email or by phone at 315-253-3513. And if you need to be mailed hard copies of the information, you can contact us as well. But everything is uploaded and right available on the front page of the city's website. And then, the last announcement I have is that last Saturday, we held our first spring cleaning day down at the landfill. Thanks to our landfill staff for getting that organized allowing that event to still have happened during the COVID crisis. The next Saturday will be May 9, so not this Saturday, but next week Saturday, it'll be open again. The hours will be 7am to 2pm out at the landfill. I am going to review though some of the rules. This is a great opportunity that we have for our city residents and we restrict it to our city residents only. However, we really need the public's assistance with following the rules to make things go as smoothly as possible. So the first thing is that the event is for city residents only. And we asked people to be prepared to show their proof of residency which would be a driver's license that matches the vehicle registration of what you're bringing your materials down with. City residents can bring the material down to the landfill that morning. You will not need the landfill permit to participate but you will need your proof of residency. There's no trailers, box vans or U-Hauls allowed. You can either bring things down in your vehicles or a pickup truck. Pickup trucks, the public is reminded need to be tarped and all materials must be containerized either in a bag or either in bags or in trash cans. But we are not allowed, we are not set up to take in pickup trucks full of construction and demolition debris that are not containerized, so the stuff does need to be containerized, that includes trash, recyclables, yard waste, and C & D - construction demolition materials. The complete listing of the rules is on the website. We'll promote it again over the next week. But it did turn out they had over 100 people participate the first week and we expect the second week next week May 9th to be even busier and we will try to remind the public of what the rules are for the event. That's all I have for tonight Mayor. Thank you.

Mayor Quill

Ceremonial presentations, Mr. Clerk, anything tonight? We heard nothing. Approval of the meeting minutes. Meeting minutes from April 9 of this year. Do we have a sponsor? Councilor Giannettino, seconded by Councilor Locastro. Discussion? Please call the roll.

City Clerk Mason

Approval of the April 9, 2020 City Council meeting minutes. Councilor McCormick (aye), Councilor Giannettino (aye), Councilor Cuddy (Yes), Councilor Locastro. (Yes), Mayor Quill (aye). Carried.
Thank you.

Mayor Quill

Mr. Dygert, City Manager's report, please.

City Manager Dygert

Thank you, Mayor. Just a couple things. The last week or so we've been we've been enjoying a relative decrease in health related issues and activity due to the COVID situation and our staff, especially the staff in the Fire Department and Police Department, that tend to be dealing with it the most are kind of on a stride with things. This week, staff has been beginning to discuss measures that will be taken to return our employees to work and resume to more normal city operations. And while we know that our restrictions will not be immediately or totally lifted, we're preparing for those changes, so as to not waste any time when the opportunity presents itself. We're looking at operational changes, staffing modifications, physical upgrades to workspaces and buildings, personal protective equipment and modifying operational policies for our staff to interact with each other and the public as safely as possible. So, we are looking ahead to more normal days. You may have read that several counties have joined together, 11 counties in the Central New York and Mohawk Valley region have joined together for planning for the restart New York plan Onondaga County has taken the lead on that. I am happy to say that I've been included in some of those conversations, not sure that anybody has any voting rights if there is voting that's going on, but I have been included on some of the draft policies and have provided that group with some feedback. So there is at least some reach out going on to municipalities from that larger 11 County group. So that's moving forward and that group is there to look at the regional health impact. Restarting municipal government, restarting private sector jobs all in cooperation with the guidance coming from New York State. So we're looking ahead. We have a couple construction project updates. Our Orchard Street sewer repair project took a little bit of extra work during the course of things. If you recall that was a sanitary sewer repair sanitary sewer upgrade. That was an old, hand laid, brick and stone sewer system down in that area that was subject for many, many years of plugging-up and backing-up into homes and areas in that area of the city. In the course of repairing that there was also some significant problems they found with another hand laid storm sewer system. So those have all been taken care of and we're down to a situation where we're pretty much at the point of doing the pavement restoration down in that area, should be wrapped up in about a week. And speaking of pavement restoration, Mr. Lupien tells me that our 2020 Road Program should be off and running in approximately two weeks within the next two weeks, we should start seeing that work happening.

Mayor Quill

Okay, thank you. Any questions?

Councilor Giannettino

Mr. Dygert, this 11 County coalition? Is there any representation from private business that you know of?

City Manager Dygert

I believe so. I believe that that's a significant part of what goes on and, and I guess I couldn't tell you off the top of my head.

Councilor Giannettino

I'm just curious because I know from being involved in private business, whatever those regulations come down, as you know, precursors for reopening there's going to be significant cost to a business and you know, as much warning as business can get and what those requirements are going to be would be helpful. I was just curious if there is a there's some guidance out there from a number of different agencies at the state level. And I would say that for the most part, you know, the, the discussion is really about still maintaining social distancing and having some plans in place, whether it's government or private industry for evaluating employees before they enter the workplace and again, putting up barriers much like you'd see at any of the retail establishments, things like that. Thank you.

Mayor Quill

Anyone else? Councilor Cuddy is ready, I can see his fingers waving. Councilor Locastro.

Councilor Locastro

Will the dollar amount go up for the work on Orchard Street?

City Manager Dygert

It did I believe, Seth is on the line. I believe it did, but it was covered under under his his budget. So Seth, are you able to speak to that specific?

Seth Jensen

I missed the question, could you repeat?

City Manager Dygert

Your Orchard Street work when you had to get into the storm sewer work along there? The additional cost of that. Can you speak to that?

Seth Jensen

Sure. We're still collecting invoices because we're handling this project through the county bid process of time and material. Our initial estimate was to just replace sanitary sewer manholes. We're using the 2019 sewer restoration dollars that Council approved two years ago now and our initial estimates were in and around \$50 to \$75,000 depending on how many days it would take to replace those manholes.

While we were replacing the manholes we noticed a significant amount of storm water getting into the sanitary sewers. So we're spending about another \$75,000 on replacing the entire storm system on Orchard Street between Baker and Columbus.

Councilor Locastro

Thank you.

City Manager Dygert

Thank you.

Mayor Quill

Reports from members of Council? Councilors? I had a couple conversations this week with Mr. Beck from Tessy Plastics in regards to the new hires, he maintains that they are still going to hire 200 people full time in somewhat of a permanent position. I don't want to use incorrect terminology. So he was, he was a little turned off by the media, I'll put it that way. In regards to the newspaper article I explained we don't write the newspaper articles but it was also tied in with his application he had made to our Industrial Development Authority, but he wanted Council and everyone to know that they are maintaining that they are still going to hire 200 full time employees, which is a terrific boost to our community. So nobody else?

Mayor Quill

Financial Resolution Number 53 of 2020. Authorizing various operating capital budget transfers. Do we have a sponsor? Councilor Giannettino, seconded by Councilor Locastro.

City Clerk Mason

FINANCIAL RESOLUTION #53 OF 2020

AUTHORIZING VARIOUS OPERATING AND CAPITAL BUDGET TRANSFERS

By Councilor Giannettino

WHEREAS, the City of Auburn staff is requesting various operating and non-operating budget transfers for the fiscal 2019-20 year as outlined in attachment A; and,

WHEREAS, there is no fund balance being used for these transfers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Auburn, New York:

1. That the Auburn City Council does hereby authorize the transfers in Attachment A for the 2019-20 fiscal year; and,

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2. That this resolution shall take effect immediately upon its adoption.

Seconded by Councilor Locastro

Attachment A: 19-20 FY					
4/30/2020					
Amount	Account to		Account From		Reason
\$ 80,000.00	A3410.110	Fire - Salaries & Wages	A1911.100	Unallocated Salaries	Cover 5 retirement payouts (\$170k+)
\$ 5,000.00	A3410.811	Fire - SS/Medicare	A3410.440	Fire - Services	
\$ 10,511.91	A3410.824	Fire - 207 costs	A3410.250	Fire - Other Equipment	Cover additional duty injury related bills
\$ 15,000.00	A3410.160	Fire - OT Contractual	A3410.440	Fire - Services	Cover OT costs due to vacation, retirement, long term duty injry/sick leave
\$ 25,014.12	A3120.250	Police - Other Equipment	A3120.150.DWI OT	Police - DWI OT	Use DWIOT (canceled COVID19) for purchase of vehicle modems
\$ 5,000.00	A5651.110	Parking - Salary & Wages	A5651.412	Parking - Operating Supplies	Cover wages for FT laborer
\$ 4,970.00	A7270.412	Special Events	A5142.250	Snow removal - Other Equipment	Cover additional costs for events
\$ 80,000.00	G8130.425	Sewage Treatment - Electric	G8130.250	Sewage Treatment - Other Equipment	Cover green energy cost (\$0.02/kwh)
\$ 11,000.00	A3120.230	Police - Vehicles	A3120.481	Police - Fuel	Cover purchase balance for 2 new vehicles
\$ 3,800.00	A3120.230	Police - Vehicles	A3120.409	Police - Software	
\$ 60,000.00	G8130.440	Sewage Treatment - Services	G8130.250	Sewage Treatment - Other Equipment	Cover additional sludge hauling

Mayor Quill

Thank you. Councilors we have Mr. Dygert, and our Comptroller, Rachel is here. Any questions or concerns? Councilor Cuddy, you good?

Councilor Cuddy

I'm fine, Mayor. Thank you.

Mayor Quill

No discussion. Clerk, please call the roll. Please.

City Clerk Mason

FINANCIAL RESOLUTION #53 OF 2020 - AUTHORIZING VARIOUS OPERATING AND CAPITAL BUDGET TRANSFERS

	Ayes	Noes	Excused
Councilor McCormick	X		
Councilor Giannettino	X		
Councilor Cuddy	X		
Councilor Locastro	X		
Mayor Quill	X		
Carried and Adopted	X		

Mayor Quill

Council Resolution Number 54 of 2020. Authorizing an application for the United States Department of Justice Coronavirus Emergency Supplemental Funding. Do we have a sponsor? Councilor Giannettino seconded by Councilor McCormick.

City Clerk Mason

COUNCIL RESOLUTION #54 OF 2020

AUTHORIZING AN APPLICATION FOR US DEPARTMENT OF JUSTICE CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING (CESF)

By Councilor Giannettino

WHEREAS, the City of Auburn Police Department is a unit of local government that works to enhance the quality of life in the City of Auburn by working cooperatively with citizens to enforce the laws, preserve the peace, and provide for a safe environment; and

WHEREAS, the City of Auburn Police Department has been part of the essential services within the Auburn and Cayuga County communities in preventing, preparing for and responding to the coronavirus pandemic; and

WHEREAS, the US Department of Justice, Office of Justice Program, Bureau of Justice Assistance is authorized to provide Coronavirus Emergency Supplemental Funding (CESF) in order to assist units of local governments to prevent, prepare for and respond to the coronavirus; and

WHEREAS, submission of an application for CESF FY 2020 funding assistance in the amount of \$32,780.00 would help cover police officer overtime and staff reassignments related to coronavirus responses; and

WHEREAS, the direct allocation amount of \$32,780.00 does not require a cost sharing or match from the City of Auburn and application for the foregoing grant program is due by May 29, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUBURN, NEW YORK:

1. That the Mayor is authorized to submit a City of Auburn Coronavirus Emergency Supplemental Funding (CESF) Grant application to the US Department of Justice in the amount up to \$32,780.00; and
2. Upon award notification, that the Mayor, or approved representative, is authorized to execute the grant assistance contract, submit project documentation, and otherwise act on all matters related to the project and state assistance; and
3. That the City Comptroller is authorized to create a budget expense account and recognize grant revenue and to appropriate the funds into the correct project budget accounts.
4. That this resolution shall take effect immediately upon its adoption.

Seconded by Councilor McCormick

Mayor Quill

Discussion. Council, we have Chief Butler who is here with us if we have any questions for him.

Councilor Giannettino

Can I just ask how we came to this dollar amount?

Director of Capital Improvement Program and Grants Selvek

Good evening, Mayor and Council. The funding that's listed in the resolution is actually a direct allocation. It's a formula grant from the US Department of Justice. So we didn't have any request in prior to the allocation amount. There literally was federal funds that were distributed amongst the 50 states, nurses take a certain amount of allocation and then based upon need, you know, within the communities they distributed obviously the lion's share went to New York City, Buffalo, Monroe County, others. So we're actually thankful that we actually received something out of the formula grant.

Councilor Giannettino

Thank you.

Mayor Quill

Nothing further Council. Clerk would you call the roll please?

City Clerk Mason

COUNCIL RESOLUTION #54 OF 2020 - AUTHORIZING AN APPLICATION FOR US DEPARTMENT OF JUSTICE CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING (CESF)

	Ayes	Noes	Excused
Councilor McCormick	X		
Councilor Giannettino	X		
Councilor Cuddy	X		
Councilor Locastro	X		
Mayor Quill	X		
Carried and Adopted	X		

Mayor Quill

A final, balanced budget, based on Council input and revised revenue estimates, by Comptroller Rachel Jacobs, please.

Comptroller Jacobs

So this is our final proposed budget presentation. On the first slide, we go over our introduction. Essentially, this is the total number of expenditures that we have in the general fund budget is \$35,260,616. That figure is a 6% decrease over our 2019 current revised budget.

Councilor McCormick

I'm not sure if I read it right. Would you repeat the general fund number?

Comptroller Jacobs

It's \$35,620,660. Okay and that's about a 6% decrease over the 2019 revised budget from last year. The budget gap currently is at around \$751,000, which that can be balanced using fund balance.

Our general fund items to note, regarding expenditures. We did put a 10% increase projection in here for health insurance based on some of the preliminary figures we've received from Excellus. The personnel budget has remained steady, we are not adding or removing any positions. The wage and salary increases are all just what is contractually based at this time.

Our general fund revenue notes. Again the property tax at this point is a 1.9% increase for total revenue up to \$230,000. That does keep us within our (State-mandated) property tax (cap) margin.

Councilor McCormick

Would you, because this is a way I like to break it down, per household for a \$100,000 household, what it would be, the annual dollar amount? Just so you could put it, well, we'll see if you're right.

Comptroller Jacobs

That figure is based on \$100,000 value home it would be approximately \$18 for the year, annually.

Councilor Giannettino

Ms Jacobs, while we're on this topic, I was going wait till the end but I guess we might as well just ask questions as we go along. Can you explain the importance of staying within the property tax cap?

Comptroller Jacobs

Yes, the property tax cap is a very intensive formula that comes from New York State. We enter all kinds of information regarding where we're currently at in terms of residency, where we're at in terms of the types of properties & how many, what levee we have here, our total assessed value, and then it also takes into account if there's any abnormalities. This year there really wasn't. In previous years there's been different adjustments that you can make based on if you have some of those amortization schedules with the New York State Retirement System. Then at the end of all that they come up with a calculation to determine what your percentage is that you cannot exceed. If you want to exceed that amount that can be done through Council resolution, you have the ability to say we're going to raise taxes to whatever we want it to be and then that would go through a budget process here at your level.

Councilor Giannettino

And if we were to exceed that tax cap then every property owner in the city of Auburn would not receive their Star Rebate, is that accurate?

Comptroller Jacobs

I have not heard that.

Councilor Giannettino

I believe that that's the ramification for exceeding the property tax cap.

Comptroller Jacobs

That may have been how it used to be but in in any of the recent paperwork that I've received from them about the tax cap there's no mention of that anymore. Yes, I remember a few years ago it was enacted that way. So, I'm not sure if it was removed, or, it's just removed from the guidelines of information, but I can look into that.

Councilor Giannettino

I did have a couple questions and comments on the previous slide, do you want to go back or do you want to wait until the end? In terms of personnel. I know that we've made it very clear that we do not want to cut any positions in order to balance the budget. That being said, Are there any positions that are currently unfilled, that are budgeted for.

City Manager Dygert

Yes, across all departments, there are unfilled vacancies and those vacancies range from entry level positions in most cases to other positions throughout the various departments. So, there has been some preliminary discussion about, you know, moving forward, taking a good look at those positions we certainly don't want to, let me restate that I certainly don't want to displace workers on our current workforce. If there are real opportunities that don't have a negative impact on our operation, or some things that we'd look at right now, probably the most notable thing that I'm looking at is our seasonal workforce. It certainly doesn't make sense to me to bring in people to do part-time work when we have full time workers, sitting on the sidelines due to the executive orders. So we want to watch all those things carefully and you know, continue to watch things, but the budget as it's presented takes into account pretty much the job positions that were in place last year.

Councilor Giannettino

Okay. Is it possible to get a breakdown of what those unfilled job positions are?

Councilor McCormick

The ones that, like, the IT position that we aren't. Is that what you're talking about as well? Or, is that?

City Manager Dygert

No that isn't taken into, that particular position isn't taken into consideration here. It was removed from the budget early on.

Councilor McCormick

Could you add that because, or whatever those were that we put off till this year? Add that to the list just so we can see what we're missing?

Comptroller Jacobs

So, you would like the total of unfilled vacancies, do you want them by department or as the City as a whole?

Councilor Giannettino

By department please. And the other issue, I'd like to at least talk about on this slide is health insurance and the 10% increase. I know it's something that everybody grapples with, whether you're in private business or in government. Can we talk a little bit about what we've done to try to keep that number down I mean there's always things that are out of our control that cause that number to go up. I can tell you from my experience outside of this building, even in the good years when our claims are down, we see an increase. But what have we done as an organization to try to keep that that number in check?

City Manager Dygert

How far back do you want to go, Councilor? Are you talking to just within the last year or within the last few years?

Councilor Giannettino

Last few years, just so the public knows that it's something that we pay attention to, that we're very conscious of, that we work very hard to keep, you know, the increases down as much as we can.

City Manager Dygert

I'll try to keep it brief, so that people don't fall asleep, but, you know, over several years, initially, we are going back quite a few years the city essentially was self-insured, took care of things on their own, and realizing that there were strength in numbers we looked at joining a regional consortium. For several years that I'm aware of as a department head for two to three years, the City looked into joining the Cayuga County Healthcare Consortium but the numbers were not, didn't work in the city's favor by joining the consortium at that point, it would have actually cost the city more money. Approximately

three years ago now, that situation changed in a way that made it advantageous and a cost saving measure for the city to join the consortium, so, that's what we did. Since that time, even with that group purchasing power, if you want to call it that, we've continued to see consistent increases in the cost of providing health care. I believe three years ago it was approximately 8%, last year was around 10%. This year, you may recall the proposal was for a 22% increase in health care costs. Through some significant discussion and spirited debate, we got that down to about 10%, which, you know, was good at the time but we know that moving on this is going to be an issue. Just as a matter of fact today we had another discussion, amongst the members of the consortium and Rachel and myself, related to pharmaceutical, because pharmaceutical tends to drive health care costs significantly in our situation. So we're looking at some various options for that and some options some other areas have taken were to split pharmaceutical off and take that and join a different consortium just related to pharmaceuticals at potentially significant savings, but there are some restrictions that we have, based on existing New York State insurance laws and things like that, that tie our hands to a certain extent, or put us in a position where we may, in order to take advantage of those things may have to go back to being self-insured, which exposes us to some uncertainty as well. So we're trying to work our way through those things. To the extent that we can we have an agreement with the Cayuga County group. This is the last year we're tied into that. So now is the time to be talking about these things. But we certainly are looking forward to potentially getting some State legislative support to modify the existing rules that are in place, that would allow us to split off our pharmaceutical program into a program that would save us, potentially, potentially a significant amount of money.

Councilor Giannettino

So you think it's important that you know, we say publicly, right, we've done everything we can to keep the costs in check, through collective bargaining agreements plans have changed, to bring in more affordable plans that the initial increase this year was 22% and through staff's hard work were able to negotiate that down to 10%. So, I just wanted to make sure that was stated into the record.

City Manager Dygert

And to your point Councilor, you know as we went through several years ago and negotiated the current collective bargaining agreements, yes, all of the negotiating units agreed to language it essentially gets every new employee that comes through the doors in a PPO plan. There are higher, higher dollar amount plans, referred to as a select or comprehensive, that are still available, they're higher dollar amount plans. But anybody new, coming to the city, goes into the PPO plan. One of the other big conversations is typically the Tompkins County Health Care Consortium also. It's very popular, a lot of towns and villages within Cayuga County actually joined that rather than getting into the Cayuga County one. There's been a lot of work done to see whether or not that would be advantageous for us to join that one as well. And again similar to where we were at a handful of years ago, for us to join that group right now would actually cost us money. We have a very good plan, we have a pretty good experience rating and right now it's not financially advantageous for us to join that. Thank you.

Councilor McCormick

Just to add to the conversation, also, I, I'm assuming but I think I'm in the neighborhood, the fact that we have an HR director I think has helped because for years we didn't and new employees came and we just threw them down there, go to work, sign this, you're on your way. But now they're able to talk to someone and learn about the different programs and he's able to look at the plans and, you know, couples married with kids, and guide them. I think that's kind of a, it's an investment, getting a human resource person was a long time coming, but it pays off.

City Manager Dygert

Through some of his efforts this year, not only counseling current employees, new employees coming through the door, but there was a big focus on retirees and survivors. So, a lot of survivors that were out there have been out there for many years, and some of our retirees were just sticking with some really high dollar plans that didn't actually have a benefit to them, they cost them as a retiree or survivor a lot of money. It was a major part of the day to day expenditures of some of those people on a limited income, so Todd, our HR director, was able to go out and gain some trust, educate some folks and save them significant amounts of money, in some cases, \$300 or \$400 a month, so, for a retiree on a limited income that's significant. He was going as need be, he would go right to their house and sit down and explain things to them. There were several options available to them that they weren't exploring or weren't open to.

Councilor McCormick

That he's only been here about a year right, yeah a little less than that I think, less than a year. It's amazing what he did just in a year so. I think that was a good, good add, and it helps.

Mayor Quill

Mr. Dygert, one more question. In regards to medical and health insurance and so forth, do we have the ability to alter a collective bargaining agreement?

City Manager Dygert

At this point in the middle of a contract, that would only be through negotiation?

Mayor Quill

Well, we can still negotiate.

City Manager Dygert

If the sides are open to it, you could potentially negotiate it but has to be agreed upon by both both parties.

Mayor Quill

So it is somewhat controlled?

City Manager Dygert

Yes.

Mayor Quill

Okay. Thank you. Councilor Giannettino?

Councilor Giannettino

Thank you.

Comptroller Jacobs

Back to the revenue slide. The sales tax based on the direction given at the last meeting, I did do reductions of actual figures based on the 12%, 9%, 9% and 6% for reductions and that came to a total of about \$880,000. The pilot, as I mentioned last time, it was 23% increase this year, and that is \$111,000. Our code enforcement we increased by \$5,000. and that's for the fines that they collect for dealing with these properties that have trash, those types of issues that they handle. And then the LISC grant this year we are getting \$56,000.

Councilor Giannettino

Just to be clear on the pilots. It's an increase of \$111,000 in revenue?

Comptroller Jacobs

Correct.

Councilor Locastro

Rachel, would you? Go ahead Councilor (Locastro). Well, just so I'm clear, if we were to trim \$230,000. off the budget, there would be no increase in taxes?

Comptroller Jacobs

Correct? Well, yes, there'd be no increase in taxes, but it would increase the amount of fund balance needed to use, to balance the budget, unless there are additional cuts.

Councilor Locastro

So back to what I said if we lower the budget \$230,000 what would be the property increase? Zero?

Comptroller Jacobs

It depends on what you're lowering, if you lowered taxes, if you said you're doing a zero percent increase on taxes, yes, that 230 would be an additional reduction in our current budget. So, rather than having the 750 million or \$750,000 in fund balance that we're utilizing now, we would add an additional 230 to that.

Councilor Locastro

So just for round figures, if you took a million dollars out of fund balance, we'd have zero percent property increase?

Comptroller Jacobs

Correct.

Mayor Quill

Rachel, remind us please, the LISC grant?

Comptroller Jacobs

That's a grant that the planning department received in part to deal with zombie properties?

City Manager Dygert

So this is the zombie property grant, so there's some money that comes out of that to fund Assistant Corporation Counsel or Corporation Counsel positions, or work and code enforcement work and planning department work. Those those funds are split up essentially three ways.

Comptroller Jacobs

Yes.

City Manager Dygert

I believe that grant runs out this this next budget year. I think that's the last year for that grant. Unless there's a renewal.

Councilor Locastro

So, if the property taxes increase 2% a year? And we go back five years and you said it's \$18 per hundred thousand. That's a compound figure correct? So, five years ago, it might have been if it went up 2% it might have been \$18. but as now as a compound over five years, it's more than \$18?

Comptroller Jacobs

Yes and no, because it would depend on the equalization rate of each of those years. So, you would have to calculate that out separately to determine what the equalization rate was in that year versus that increase to kind of compile that because the equalization rate changes every year, depending on how the Board of Assessment Review goes and then we come up with our total tax levy.

Councilor Locastro

Thank you.

Comptroller Jacobs

Any more on that one?

Mayor Quill

Councilor Cuddy? Somebody shake him. Are you all right over there?

Councilor Cuddy

I'm a-okay Mayor.

Mayor Quill

Thank you.

Comptroller Jacobs

Department of Municipal Utilities. This hasn't really changed from our original recommended presentation. The gap is six \$361,000. in the Power Utility Fund, and the majority of that, as we mentioned is due to the debt service related to the CoGen facility. But that will be balanced using a cash flow basis. Our Sewer Fund balances without any increases or any other significant changes and there will be no fund balance used for that. The Water Fund is looking at no increases as well. They do have a slight gap at \$122,000. but that can be covered through fund balance.

Councilor Cuddy

Rachel?

Comptroller Jacobs

Yes.

Councilor Cuddy

I may, now, we have the hydro in the Power Utility Fund is that correct?

Comptroller Jacobs

Yes, that is correct.

Councilor Cuddy

And how have those I mean, that's going to help basically offset the debt for the CoGen but how have those numbers been coming in with respect to previous years revenue and the Power Utility Fund? Are they increasing since the new North Division Street has gone online just to give me a rough a rough estimate of where we are with that.

Comptroller Jacobs

The revenues are up this year. We've obviously been running it more often. But there was a delay earlier in the year for construction that was done, which caused us to not be able to generate electricity for quite some time. The hope is based on which Seth may be able to touch on this more, but the hope is that in this next coming budget year, we will be running basically 100% of the time, so that those revenue generations will continue to hopefully exceed what we budget.

Councilor Cuddy

I agree and I think like that's one of the things is, as Miss Selvek will concur is that, you know, one of the goals that we've had ever since we had to purchase the CoGen is to get, you know, basically make the Power Utility Fund whole just because we're going to be more in dept for so much so. But it's just good to hear that we're getting...

Councilor Giannettino

Councilor Cuddy, you cut out at the end. We didn't hear what you said.

Councilor Cuddy

Oh, it's good that we're beginning to turn the corner on that fund. You know, so I just I just thank her for the clarification. Thank you for the clarification.

Comptroller Jacobs

You're welcome.

Councilor Giannettino

So to make up for that debt service for the CoGen, where does where does? No, you're all set?

Councilor Cuddy

Is it still cut out?

Councilor Giannettino

No.

Comptroller Jacobs

No, you're good.

Councilor Cuddy

Okay. All right. Thank you.

Mayor Quill

Go ahead.

Councilor Giannettino

Where does that gap in the debt service for the CoGen? Where does where does that money come from?

Comptroller Jacobs

So currently, the Power Utility Fund is the combination of all power utilities, so the CoGen and the hydro, they are all in the same fund. So there is cash flow because of it being a proprietary fund. It's handled differently. So, we're not on an accrual basis. We're based on a cash flow basis. So, essentially, any retained earnings that we have at the end of the year would cover this potential gap.

Councilor Giannettino

The entire amount?

Comptroller Jacobs

That's the hope, yes.

Councilor Giannettino

And if that hope doesn't come to fruition, where does the money come from?

Comptroller Jacobs

In the past, when that hasn't come to fruition? The comptroller has come back and asked for use of fund balance to increase that budget and we essentially loan that money to the CoGen facility and then charge them interest and eventually they pay us back.

Councilor Giannettino

Every year budget season. We go through this just for posterity purposes and to remind everybody of the bad decisions that were made in this in this building, and that we're still paying for him because as Councilor Cuddy has said so many times it's the gift that keeps on taking and that if we didn't have that maybe we wouldn't have to raise taxes. So, I just wanted to be clear, there are previous bad decisions that continue to handcuff us. Thank you.

Comptroller Jacobs

Our Solid Waste Fund still has a \$1.4 million gap, which again, we kind of anticipated that happening this year based on the revenues, we're anticipating the landfill closing for the most part as of hopefully July 1, and at that point, we would stop the inflow and we also have post closure costs associated with closing that landfill. And, the other big payment there is our final payment, which is a \$800,000 bond payment. The Refuse Collection Fund has a \$139,000 gap which that can be covered through fund balance. And the Transfer Station which would be a brand new account this year, will be balanced using no fund balance.

Councilor Giannettino

In terms of the landfill? The decision was made to proceed forward with the solar array project. The revenue that we make off of that will help with that fund. Where is that project? Do we have an anticipation of when it will start?

Comptroller Jacobs

I have not received any updates. They are required to pass \$12,000 a year right now to kind of hold their spot. But I haven't seen any plans come through. I'm not sure if Jeff or Stacy have seen anything?

City Manager Dygert

I haven't seen anything yet, no.

Councilor Giannettino

Can we reach out to them and see what their plans are? If they're still planning on continuing forward

Comptroller Jacobs

I believe they have two years based on what we put in the contract.

Councilor Giannettino

Thank you.

Comptroller Jacobs

I made a list of the department cuts by department categories. Essentially I didn't do each individual department. I'm not going to read through every line unless you'd like me to?

Councilor McCormick

No.

Comptroller Jacobs

Okay. But so essentially, we took these cuts are any expenditures that we reduced from what the 2021 original requested budget was and what the original requested budget is, is when the department's present us with what they're asking for and then our original revenue projections which normally are based on last year's numbers. That step occurs before we present the recommended budget, which is what we presented earlier this month. So, there was a little bit of confusion from a few people about what that number actually represents. But that is the difference based on the expenditures removed from the budget for that time period.

Councilor Locastro

Do any of these cuts have anything to do with the Coronavirus?

Comptroller Jacobs

I would say no. I mean, in terms of, I guess, in terms of the reason we're cutting is because yes that things are unknown at this point due to Coronavirus, but.

Councilor Locastro

If we didn't have the Corona would the cuts be there?,

Comptroller Jacobs

Not that many I would doubt. It would really depend if if sales tax if Corona never happened and sales tax would remain constant and the way it's been going in our original upward trend. We probably could have accounted for a large chunk of this.

Councilor Locastro

So we had a budget with this built into the budget and because of the Corona, we have to actually trim our budget and that's the dollar amount?

Comptroller Jacobs

Yes.

Councilor Locastro

So they're in the original budget.

Comptroller Jacobs

The original requested yes.

Councilor McCormick

Could I just, a couple of them? I want to mention them for the sake of the public. And because I don't think they were in the original, when we we've cut, for example, \$30,000 for special events, what would that mean to the average Auburn resident?

Comptroller Jacobs

I do have a list here of Mike's cuts

Councilor McCormick

And you can also throw in Falcon Park and Casey Park. As far as that goes.

Comptroller Jacobs

I can tell you the majority of these cuts are a combination of so many different things.

Councilor McCormick

Just roughly you don't have to give me the exact list in general.

Comptroller Jacobs

Well, he did give me a very detailed list. So I'll get it out.

Mayor Quill

Am I reading this right? Well, you're, you're feeling that this is affecting the quality of life?

Councilor McCormick

That's my thing, yeah and I just want to raise it so that when somebody goes to the ballgame or the Hoopes Park to see a concert, and it's not there, they're they're not thinking God, we just threw it out. They, I want him to know, as Councilor Locastro mentioned, it's Coronavirus related, certainly. And they can certainly call their Congressmen to ask for some help. Yes. Oh, no. Now that's all.

Councilor Giannettino

Right, and can I interject real quick, and maybe this will piggyback off of what Councilor McCormick is asking for, if possible, and I know it's difficult under these circumstances of, you know, social distancing. Could each department head next week, give us a breakdown of what the actual cuts are? I mean, maybe people want to know what \$500,000 from police and fire equates to. How it affects Public Safety, how it affects the quality of life in the city. And not only would that be good for the citizens here, it would be good for our federal representatives to hear that at the same time. First Responders on the frontlines fighting this damn thing. They're telling us they're not going to give us funding to pay them. Right. So I think it would be great if we could have that breakdown, that detailed breakdown of what those cuts are.

Comptroller Jacobs

I did send out a spreadsheet to at least all of the Councilors. I didn't put it on here because I thought it would be way too many slides but it broke down each line item of what they cut. It's difficult in some circumstances, especially just to go back to your point regarding this, the special events. So what we did was we cut out 50% of the events we were going to do for the summer season. Cut out 50% of the movies that we were going to do. Cut out things like that. Christmas decorations, those sorts of things, but the majority of the other departments, you know, they may not have specific items that attributed to it. But I did provide you with a breakdown of what each line item was reduced, which I think helps to kind of show you what types of things are being reduced.

Councilor McCormick

It did and I, but I, I did read through that. But I really think the important The important thing is if once this meetings over today, I just have a feeling because of the corona virus. Another reason people are so

absorbed in that, that this isn't really first on their list even though it is but once that once they don't see the service or the you know, if nobody shows up to plow the roads. That's this is related to that.

Comptroller Jacobs

Well, and to be honest, this budget includes every person personnel and every operating supply that we need to function at minimum level to maintain all service minimum. So we did not cut any services, we did not cut any positions. It's just we cut out the little things where, you know, maybe we're not going to replace any office chairs for people this year. Maybe they can't go on training events this year.

Councilor McCormick

There was one year we didn't even give a guy a chair, he said on a milk crate.

Comptroller Jacobs

But those are the types of things that were cut and they're you know, they might be \$100 in one department 500 and another and, but added together cumulatively, the department heads did a great job with just trimming as much as they can from wherever they can. But they do not plan on impacting their services that are provided at all.

Councilor McCormick

But that there is that like, tree planning urban forestry. There are things I know that I didn't mean to say that the roads won't get plowed but the things that that people are so excited that we've been able to do it that is made Auburn, you know, downtown events. I don't know what 50% is gonna look like, it's your thing that we have the money to do it and they are the icing on the cake, but that's the things people are going to complain about. So I just wanted to bring that up now so that everybody is aware of what we're doing, like holding the line on everything we can Yes, and nobody wants to. I think it's the hardest thing to do is to cancel things that families enjoy. Kids can go to. That's what we're all about. So I just want to make that stand out above. But we also are cutting overtime for police but I don't see how you can prevent overtime for police. I, I mean, if they got it, they got it. So I don't know. Thank you.

City Manager Dygert

No, I think it's been covered.

Comptroller Jacobs

You're welcome. So as a grand total, we cut \$1.8 (million) out of the, again, the original requested budget versus this current preliminary budget that was provided today.

Councilor McCormick

Did a great job, a painfully Great job. I guess it's not anything to be happy about.

Comptroller Jacobs

This slide is based on the feedback received from Council last week regarding some possible scenarios where there may be additional expenditures that we could potentially cut if we wanted to, but this is where it would impact those types of things. So we did not cut those but they're in here as options for you. The 2020 summer events, as we mentioned, 50% of those were already cut. If we didn't cut the remainder of those and had no events, that would be \$35,000 in additional expenditures that we could reduce the Casey Park pool. If we were to not open that for this current season, that would save approximately \$76,250. And the Doubleday's season, if that did not continue for the season, that would be about \$20,000 in expenditures.

Councilor McCormick

As far as Casey Park goes, there could be a good chance that that couldn't open because of the COVID. I mean, for medical safety reasons. I don't know how that would work. But But is there something that we have cut that there's a trade-off that if we did, well, there's nothing there that really, can it? Yeah, if there's something that we cut that we absolutely need that is \$35,000., that kind of thing and that would be up to staff, you know?

Comptroller Jacobs

Yeah and these are just additional scenarios. I'm relatively comfortable with where it's at right now, in terms of the use of fund balance being around \$750,000. You know, that's, that's not an awful number, and it'll still keep us within our appropriate range. So, I mean, these are just additional scenarios that are possibilities.

Councilor Giannettino

What percentage of fund balance is that equal?

Comptroller Jacobs

That is a very difficult question to answer, due to the fact that we have so many unknowns for this last quarter of this year. So we don't know what that impact is going to have on our fund balance currently. So it's really difficult to say until we get closer to closing out this current year

Councilor Giannettino

To use additional fund balance with that may put you in the uncomfortable range?

Comptroller Jacobs

It would,

Councilor Giannettino

Okay and that's assuming that our guesstimates and a decrease in sales tax are accurate and that they're not worse.

Comptroller Jacobs

Correct.

Councilor Giannettino

And this is providing just the basic essential services that people rely on, clean water, plowed streets, police, fire, sanitation, really with no extra bells and whistles. So, this is basically an austerity budget like we asked for.

Comptroller Jacobs

Yes,

Councilor Giannettino

Thank you.

Mayor Quill

Which which is a quality of life issue.

Councilor Locastro

Is there a rule for percentage of fund balance to your budget? In other words, if your budget is 35 million, is there a rule of thumb of how much you should have in your fund balance?

Comptroller Jacobs

The way the fund balance policy works is each municipality is responsible for creating their own policy. abiding by that the only rules or guidelines given by the state is it needs to be a reasonable amount. So it's up to the municipality to determine what a reasonable amount is. The policy that's in place now from the previous comptroller is between 10% and 17.3% of the prior year's expenditures. So, you know, using rough figures, that would mean we need to have at least 3 million in fund balance, unassigned fund balance at all times.

Councilor Locastro

So after this, that's probably right around where we're gonna be?

Comptroller Jacobs

I believe we would end up right around that three to possibly three and a half depending on where we end up this year.

Councilor Locastro

If this budget was to pass, well, what would happen to our debt? What our debt and I've asked you this before and I know it changes as our debt go up, does that go down? What would this budget do to our debt Overall, debt,

Comptroller Jacobs

Um, well, this only accounts for that that we already have. So it wouldn't impact any thing that related in terms of, you know, what we have here is what we're required to pay for what we have going on.

Councilor Locastro

So our overall debt for the city wouldn't change?

Comptroller Jacobs

The debt total would change. Yes, because the way that our debt currently works is each year we go through a process. It's coming up quick, soon to I think in May, is when we first start, and we will then be sitting down to determine what debt we have that we are in the process of paying off or want to pay off early and then we also look at what debt needs to be rolled into long term, all of our debt we start as a five year BAN (Bond Anticipation Note). That way we can see where we'll be and you know how much money we're going to need and that sort of thing.

Councilor Giannettino

Speaking of fund balance, Can you talk about how fund balance affects our credit rating with Moody's? Do they pay attention to that?

Comptroller Jacobs

They do. They pay attention to a variety of things. fund balance is one thing. They basically take whatever your average fund balances and then compare that to other municipalities of your size to determine, you know, if you're in a reasonable range with those, in addition to that, they look at your total debt ratings. They also take out certain calculations because certain debt potentially like sewer and water debt, those are often excluded from your regular debt. So, when that happens, you know, that also takes that into effect and then they come up with a calculation of what your total debt is versus what your total tax liability level is. And then they also Then take it further by taking into account any of your total assessments that you have for the city. And then the total number of residents and they come up with all these different little calculations to basically determine where they think you are whether you know, you remain stable, or whether there's weaknesses that need to be addressed, then they give you an actual rating, which our rating this year did not change,

Councilor Giannettino

It's a favorable rating. And that affects our ability to borrow money and what rates we borrow money at, which allows us to do quality of life projects in the city of Auburn. In terms of fund balance, can you talk about the trend in recent years? Has it gone up? Has it gone down?

Comptroller Jacobs

I do not have that with me. But But yes, I have that information.

Councilor Giannettino

And if we were to take too much from fund balance that could negatively affect us with Moody's which would negatively affect our ability to borrow money.

Comptroller Jacobs

Yes. And the other issue with taking an extra As amount of money is that there's always the potential depending on because we don't know how this current year is going to end. If that number comes out where we're below our fund balance policy, then we get into an issue where we could potentially, you know, have issues with the auditors. But in addition to that, we as you, the council would have to come up with some sort of financial plan to improve it, to get it back up to where it needs to be. So there's a lots of additional steps that would happen, but it would also impact several areas. Okay.

Councilor Locastro

Did the moody report comment on fund balance last year?

Comptroller Jacobs

Um, I mean, it was on there, but they didn't make any, you know, positive or negative comments on it. They just basically with the fund balance, they don't really commented on it too much. They just show you where you are in comparison to others. But because the state doesn't give you direct guidelines, it's not something that they can really use against you, as long as you're following your policy?

Councilor Locastro

Where are we with other cities our size?

Comptroller Jacobs

Um, I don't know with the chart, I'd have to look at it. I think I actually sent it out to all of you. You might have it, but I can resend it.

Councilor McCormick

It wouldn't be because I took I've been looking at other cities, our fund balance could be totally minus or plus, because everybody's budgets are different. Everybody's size of city, things they do because one

city I looked at is cutting library, which, fortunately, that's not in the city. There's things that we don't have, yeah, it's it's hard to compare cities.

Comptroller Jacobs

Well, it really is to also in terms of the way they try to get you to look at your fund balance policy is you want to base it on your prior your expenditures, but you need to account for any one time expenditures and remove those because otherwise that provides you essentially a higher amount of fund balance available. That really isn't realistic.

Councilor McCormick

Thank you.

Mayor Quill

So as I've said many times about myself like, my glass is always half full in and I've looked at about myself but these last three saving scenarios. They would be hard, but I agree with what you said Councilor McCormick, with the Coronavirus, more than likely we would not be able to use the summer events. The Casey Park pool, Doubledays' season, that's a that's a different category. I don't see that opening. Regardless, I have no glass ball that I'm looking at or Genie telling what's what's going on. But there are all three very important to the quality of life, but I think other forces will prevent us from utilizing these, so with a heavy heart. I could agree to cutting these, so. Councilor Cuddy, anything you'd like to add?

Councilor Cuddy

Mayor, I've just wanted to like go back to, you know, just let Rachel explain that we are still following through our financial plan. And that that policy that we put in place a few years ago has been one of the guiding forces that has brought us to where we are now, brought us to our current rating with Moody's. And, you know, it has allowed us to have the the budget that we're presenting to us now, that does acknowledge some hardships that we are going to have to endure, but that the city the city still remains focused towards providing the services to the people of Auburn. That's all I wanted to say when talking about financial planning. Thank you.

Comptroller Jacobs

Thank you. Rachel what with the Moody's rating would all this enter into that with the COVID is how how they come up with their ratings doesn't go that wheigh in eventually? it's really tough to tell. I mean, that's more of a marketing, you know, side of things. For us specifically, that won't impact anything because of what our rating is. That's what our rating is. But in terms of fluctuations in the market, obviously rates may change.

Mayor Quill

Going for the next one, three, five, ten years. It seems like that should be reflected into it. We had a bump in the road is probably every other community in the nation probably in the world.

Comptroller Jacobs

This past year, they updated how they're presenting their moody reports, and there are a lot more narrative than they used to be. So I think that with that, that would be something where they would make make those types of notes in there. In the past, they didn't do that. But now they decided to, you know, give a little more information so that, you know if, for example, if we did have extremely large amounts of debt, you know, they would maybe note that but then also know the reasons why or if they're excluded deaths are not. So they're much more descriptive now. So we do get a rating every year, so it'll be interesting to see what it says next year.

Mayor Quill

Councilor Cuddy, are you all set sir?

Councilor Cuddy

Yes, sir. Thank you. Thank you.

City Manager Dygert

Mayor and Council can just to clarify so that what you would want before our next meeting is to make sure we've got, the list is complete. We're going to check into the star tax exemption, a breakdown to the current vacant positions by department. I've got a note here on health insurance, but that was we didn't ask anything specific on that, that I can recall, the status of the solar? And, are we still looking for a breakdown of cuts by department? Or does what was previously provided to you does that suffice? Do you want further detail?

Councilor Giannettino

I think it would be helpful. Okay.

Councilor McCormick

I think it's more of a communication thing. And the department heads are the frontline and they can talk speak to it, for the benefit of educating the public on why and what not.

Councilor Giannettino

And educating the public and educating our elected officials, that listen, we took this very serious we we presented an austerity budget that maintained the quality of life that people in this city expect and deserve. We're providing essential services But there's an underlying cost to that there's a bottom line to that. And we need help to maintain that you can't tell us to continue to provide services at the local level, to fight a pandemic at the local level, and then tell us that there's no money to do it. So if we can show

that we've done our due diligence, we've come up with an austerity budget, we need help. I think it would go a long way.

City Manager Dygert

So we can, we can get that the department heads have a lot of that information. I just want to mention that in some cases. So for instance, I'll take 250 equipment line. There, most of the department heads and in most cases are going to, they may not have specific items, they may have some specific items that they know they need for this coming year. But they're also budget, an amount of money based on the unknowns, right so if they have a piece of equipment that breaks through the year, they can replace it. So we want you to just keep that in mind that the budgets a guideline some of its based on previous history and experience, and there are some things that aren't specifically identified because we can't possibly know what's going to happen 14 months.

Councilor Giannettino

Sure.

Councilor McCormick

Would it be reasonable just ask him that the list that you did give us the details. There's like three items. And then it says, equipment or services if they just talked about the ones that are identifiable. I know every budget, that you know, you've got to buy this or that during the year. I just want people to understand what is being cut. That they will see if we run out of salt. No, they'll see that too. But you know what I mean.

City Manager Dygert

Anything, anything else?

Mayor Quill

Thank you. Rachel, escape. Other business from the Councilors? Councilor Cuddy, anything from you, sir?

Councilor Cuddy

I'm all set Mayor.

Mayor Quill

Thank you. Public be heard, no one wants to speak this evening, so, do we have a request for Executive Session?

City Manager Dygert –

I would like an executive session. We've got three matters that fall under attorney-client privilege.

Auburn City Council Meeting, April 30, 2020

Executive Session. Councilor McCormick made a motion to enter Executive Session, seconded by Councilor LoCastro. Council voted unanimously to enter an executive session at 6:12 p.m. regarding the following matters:

- Three matters made confidential by Federal or State law. (Section 4503 of the Civil Practice Law and Rules which establishes that a confidential communication between attorney and client shall be privileged. Pursuant to this section, Council will be receiving legal advice from its attorney which fulfills the requirement provided in Section 108(3) of the Public Officers Law allowing this exemption.)

Executive session adjourned at 7:15 p.m.

Adjournment: By unanimous vote the Council adjourned the meeting. The meeting was adjourned at 7:16 p.m.

Minutes submitted to the City Council on May 7, 2020 by Charles Mason, City Clerk